Remarks

The present response is to the Office Action mailed in the above-referenced case on May 15, 2007. Claims 1- 13 and 15-22 are standing for examination. Claims 1-11 and 11-15 are rejected under 35 U.S.C 103(a) as being unpatentable over Atsmon et al. (US 6,607,136) hereafter Atsmon. Claim 12 is rejected under 35 U.S.C. 103(a) as being unpatentable over Atsmon in view of ISO7816.

In response to the Examiner's objections, rejections and statements, applicant herein amends the independent claims to more particularly point out the connections between components and order of the functions of said components. Applicant herein argues the claims, as amended, as patentable over the art of Atsmon.

Applicant points out that applicant's claims 1 and 16, as amended, now read that the smart card transmits modulated signals directly from the smart card to the microphone input of a PC. Atsmon teaches utilizing microphones and speakers to transmit sound waves to the PC. Specifically Atsmon teaches; "The user is equipped with an electronic card that can receive and transmit data via sound waves. The interaction is accomplished by using sound from the electronic device's speakers when receiving data and emitting sound from the electronic card to the electronic device's microphone when transmitting data." (col. 8, lines 3-8; col. 32, lines 38-42). Applicant argues that Atsmon clearly fails to teach direct communication of modulated signals from a smart card to the microphone input of a PC.

Applicant points out that there is absolutely no disclosure in the art of Atsmon teaching a card reader in connection with the microphone input of a PC. The Examiner relies upon col. 3, lines 52-63 of Atsmon to read on said limitation, which recites: "However, in another embodiment, special readers can be used to provide various functionality-from reading the contents of the card (for those systems without a sound

device) to adding bidirectional support for an otherwise one-way card to recharging the battery(ies) in the card. So, if the computer system is not equipped with a sound system, a special reader is provided to allow the electronic card to communicate with the computer system. As another example, the special reader can be an electronic device with a microphone to allow an otherwise transmit-only one-way electronic card to have two-way capability." (col. 3, lines 52-63)

Applicant argues that applicant's invention, as claimed reads a modulated signal, not sound waves as taught in Atsmon. Applicant's invention provides a modulated signal produced from the smart card directly to the microphone input of the sound card on the PC. Applicant's card reader does not operate as a microphone and sound waves are not generated by applicant's smart card. Applicant does not believe a sound wave produced by the card of Atsmon reads on the modulated signal as claimed.

Applicant points out that the Examiner takes "Official Notice" that that the practice of using a cable to directly plug in an audio source into a computer for further processing was obvious in the art. Pursuant to MPEP 2144.03, Examiner supplies the references "How to record music from your LPs or cassettes to your computer" and "EPARA TECH NET: PSK31 Interfacing" references which disclose this limitation as general knowledge in the art.

Applicant argues that this general knowledge in the art also fails to teach a smart card generating modulated signals which are directly input into a PC's soundcard via the PC's microphone input using a card reader. Directly plugging an audio source into a computer fails to obviate applicant's said claimed limitation.

Applicant argues that the main difference applicant's invention and that of Atsmon is that applicant's invention does not need to generate "sound", or "acoustic waves" to accomplish the invention. Applicant teaches the use of the modulation from the chip to communicate directly with the soundcard, bypassing the usual acoustic mode. Atsmon's

method clearly needs a microphone as it is clearly taught in column 8, beginning at line 46 which reads; "Of course, each of those infrastructure electronic devices must have corresponding microphones to receive sound waves (e.g. microphone 14c for computer 14)." Atsmon also teaches the use of a transducer to generate sound waves (Col. 8, line 53).

Therefore, Atsmon fails to teach all of applicant's claim limitations of the independent claims and the 102(e) rejection fails. Applicant believes apparatus claim 1 and new method claim 16 are patentable over the art of Atsmon. Dependent claims 2-13, 15, and 17-22 are patentable on their own merits, or at least as depended from a patentable claim.

As all of the claims are clearly patentable over the art of Atsmon, applicant respectfully requests re-consideration, and that the case be passed quickly to issue. If there are any extensions of time required, such extensions are hereby requested. If there are any fees due, authorization is given to deduct the fees from deposit account 50-0534.

Respectfully Submitted,
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